



CryptX Deep Dives — 3/8/26

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Brief:

- ❖ Oil has officially passed 90.
 - ❖ If crude trends above 100, every product in America will have to readjust its price.
 - ❖ Historically, crude and USD spiking is the textbook sign we are reaching the end of a 4-5 year business cycle.
 - ❖ BTC continues to be weak after the initial Iran strikes.
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Bitcoin's Technical Highlights



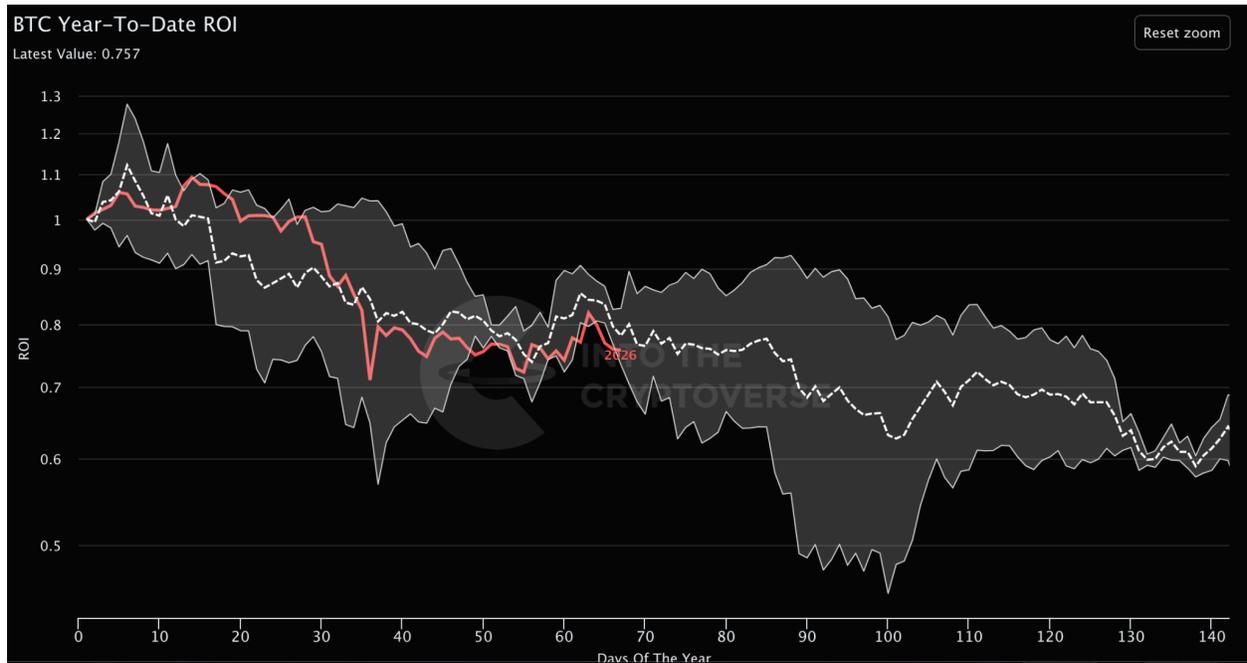
BTC 1D - 7pt Trading Checklist

Bitcoin was rejected immediately at 74k last week. Now the price is back into a neutral/bearish range and is in danger of following the trend lower. BTC is neutral based on the 7pt trading checklist. In my view, the primary story is Iran/Israel and how risk assets will react to the developing conflict.

For the last three years, the market rallied on the TACO trade (Trump always chickens out). When something political was said which impacted the market negatively, Trump would walk back previous statements for the market to rally higher.

I think this time is very different. It seems unlikely Trump can TACO his way out of this one. If the price of Oil doesn't come down, it will cause a spike in inflation. With an already weakening labor market, the Fed won't be able to lower rates like the market was expecting and stocks will likely pull back 18-30% from the recent highs. Inflation is a disease to an economy, and we are potentially seeing initial symptoms. If this situation occurs, I estimate Bitcoin will trade around 35-40k with Ethereum in the 600-700 range.

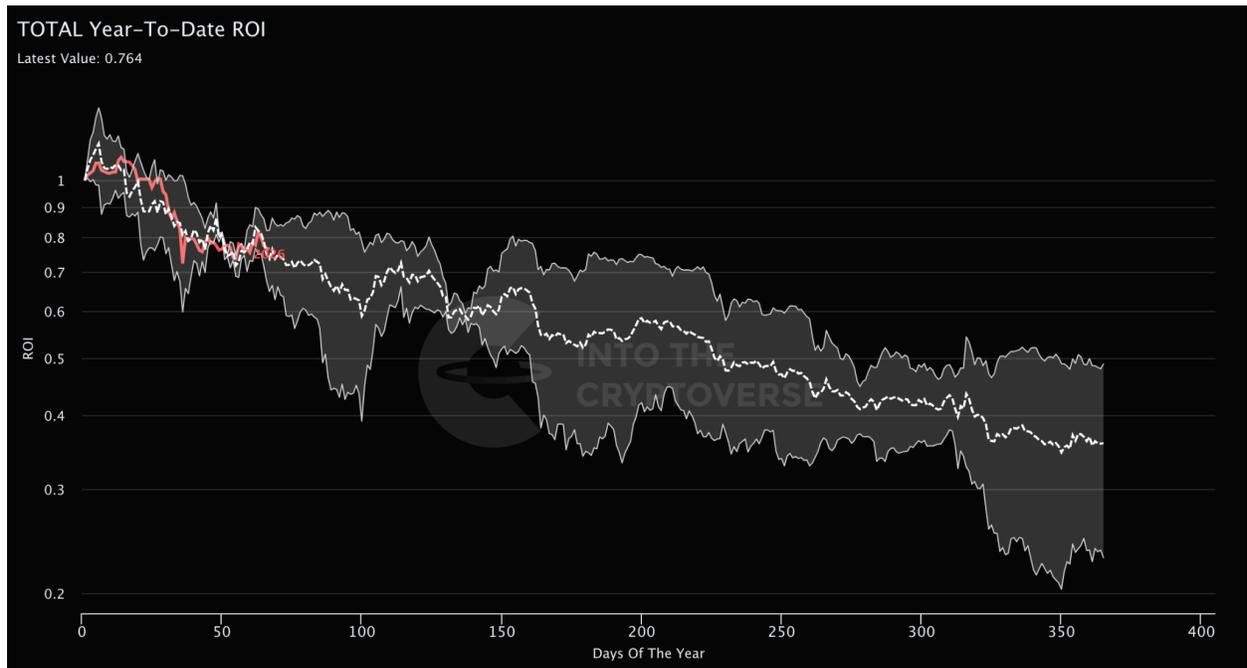
Bitcoin's Higher Timeframe: The Bigger Picture in 2026



BTC With Average Midterm Performance in White, with Bollinger Bands.

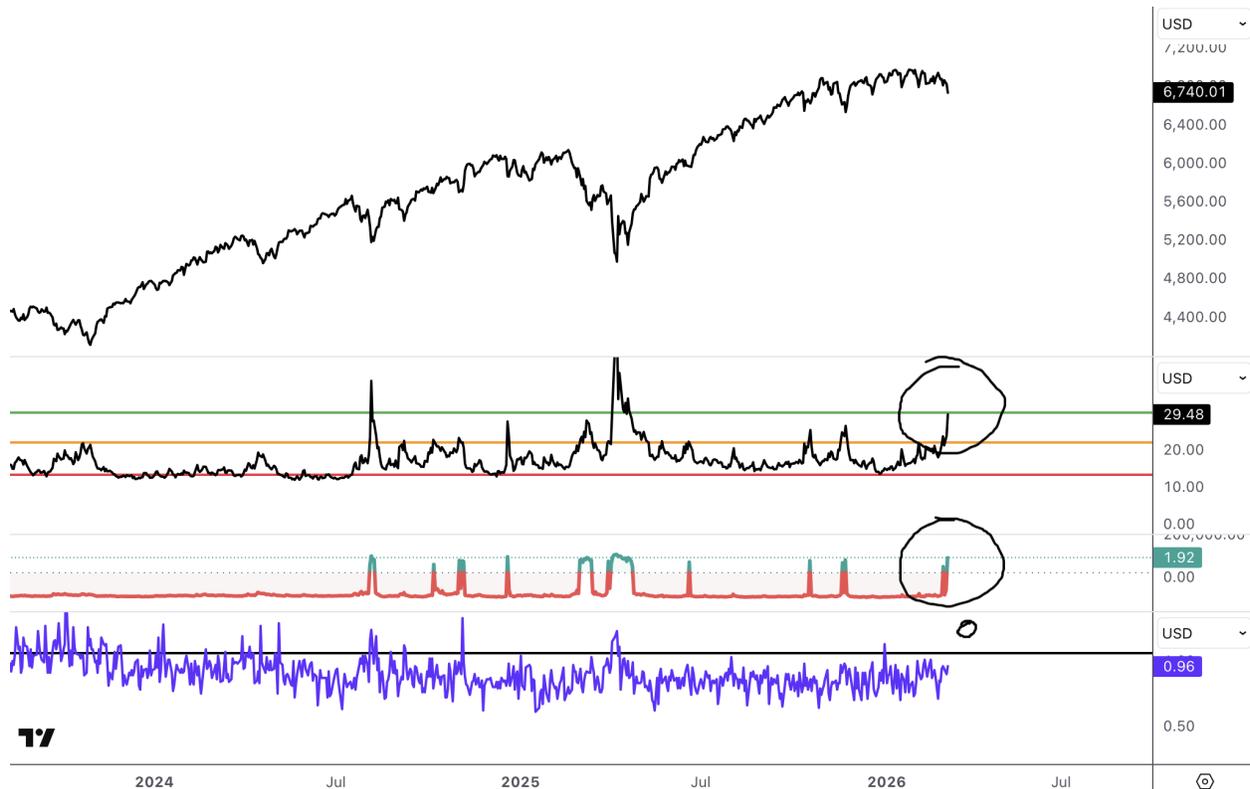
Bitcoin continues to follow prior midterm year performance to a T. In prior midterm cycles, Bitcoin averages a local peak on March 3rd. Our last local peak at 74k occurred on March 4th. People will continue coming up with reasons why this time is different, but overall, Bitcoin continues to do what it has always done in midterm election years. The same can be said for the overall crypto market cap.

Total Crypto Market Cap Historic Performance in Midterm Years



The total crypto market cap historic performance is even more bearish. Overall, it does not paint a bright picture for the space for the rest of the year. Therefore, it makes sense to continue with the trend and not fight the tape. If Bitcoin can't even break out above 74k, then why fight the downtrend? I've lost a lot of money in my trading career fighting the trend. I've had some of my best periods when performing disciplined trend following. As of now, there's no indication the downtrend has been broken from a technical or positioning perspective.

Looking at Fear in the Equity Market



3pt Equity Sentiment Checklist

Years ago I put together a 3pt checklist which attempts to highlight local bottoms in the SPY with high probability long setups. The checklist looks at three data points:

1. The VIX must go above 30, then stabilize below 25.
2. VIX 1m and 3m futures must enter backwardation then stabilize.
3. The equity put call ratio must trade above 1.

Currently, the VIX is trading above 30 and we are seeing VIX 1m and 3m contracts in backwardation. These signals are the first indications of fear in the equity market, but they are not close to providing a long signal. Once these three conditions are met, I will go in with the 7pt technical checklist and enter long term equity positions in index funds. Until then, I'm going to wait for the market to experience more pain.

Conclusion: Bringing it all together

Bitcoin continues to trade in a difficult trade with chop claiming traders on both sides. After being rejected at 74k, we must wonder if that was the end of the historic counter trend rally BTC usually experiences in midterm years. Personally, even if BTC can rally to 80k, I'm not crazy about the trade considering the limited upside potential based on our analysis of historic cycle performance and positioning.

Therefore, I am not fighting the trend here and will wait for a better technical setup before entering long trades. So far, Bitcoin is trading as if it were any other midterm year. This has been a viable strategy thus far in 2026, so I am going to stick with it until it stops working.
